GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1391
ANSWERED ON:04.08.2006
SERVICE TAX
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of FINANCE be pleased to state:

(a) amount of Service Tax collection in the field of banking, State-wise since its inception ;

(b) whether there are problems being faced in the collection of banking Service Tax ;

(c) if so, the details thereof and action taken thereon; and

(d) the steps taken by the Union Government to improve collection of Service Tax in general and banking Service Tax in particular?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) The jurisdiction of field formations in Service Tax is not State-wise. Further, assessee is also allowed to pay service tax at centralized location. Therefore, compilation of State-wise revenue is not feasible. However, gross service tax collections, financial year-wise, from `banking and other financial service` since its inception in July 2001, are as given below :â€”

Year	Revenue (Rs. crore)
2001-02	63
2002-03	175
2003-04	308
2004-05-	1052
2005-06	1954 (provisional)

(b) No, Sir.

(c) Does not arise in view of (b) above ;

(d) The Government has been, in general, taking following steps to improve collection of sevice tax:â€”

(i) Strengthening tax administration;

(ii) Wide publicity in print and electronic media for increasing public awareness and tax payer education;

(iii) Extensive surveys to identify the service providers;

(iv) Trade facilitation like registration melas to reach out the service providers and e-filing of return;

(v) Development of intelligence network and anti-evasion measures.